3. Ministry of Water Resources

(i) Reclamation of Waterlogged Areas under Command Area Development Programme (CADP)

4. Ministry of Environment & Forests

(i) Integrated Afforestation and Eco Development Project (IAEP)

(ii) Area Oriented Fuel wood and Fodder Projects (AOFFP)

(iii) Grant-in-Aid Scheme for Afforestation and Tree Planting

ARWSP in Orissa

4100. SHRI R. MARGABANDU : Will the Minister of RURAL DEVELOPMENT be pleased to state :

(a) whether Government are considering to waive the matching contribution under State sector Minimum Need Programme (MNP) for availing Central assistance under Accelerated Rural Water Supply Programme (ARWSP) in view of serious financial stringency of Government of Orissa due to recent super cyclone; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRI A. RAJA) : (a) No, Sir.

(b) Does not arise.

Restructuring of Self-Employment Programmes

4101. SHRI R.S. GAVAI : Will the Minister of RURAL DEVELOPMENT be pleased to state :

(a) whether Government propose to restructure the self-employment programme with the aim of sustainable income generation;

(b) if so, the details thereof;

(c) whether Government have reviewed the implementation and progress of IRDP and DWCRA schemes;

(d) if so, the details thereof;

(e) whether Government have examined the recommendations of Hashim Committee set up by Planning Commission; and

(f) if so, the reaction of Government thereto ?

THE MINISTER OF RURAL DEVELOPMENT (SHRI SUNDAR LAL PATWA) : (a), (e) and (f) Based on the recommendations of the Hashim Committee, Government have restructured a number of programmes of this Mininistry. Self-employment & allied programmes *viz.* Integrated Rural Development Programme (IRDP), Training of Rural Youth for Self Employment (TRYSEM), Development of Women and Children in Rural Areas (DWCRA), Supply of Improved Toolkits to Rural Artisans (SITRA), and Ganga Kalyan Yojna (GKY) as well as Million Wells Scheme (MWS) have been merged into a single holistic programme known as Swarnjayanti Gram Swarozgar Yojana (SGSY). The restructured SGSY has come into force with effect from 1-4-1999. The erstwhile programme of Jawahar Rozgar Yojana ((JRY) has been restructured and in its place Jawahar Gram Samridhi Yojana (JGSY) has been launched from 1st April, 1999. Likewise, Employment Assurance Scheme (EAS) has also been restructured with effect from 1st April, 1999.

(b) The salient features of SGSY are given in the enclosed Statement. *(See below)*.

(c) and (d) With the coming into force of SGSY, the erstwhile programmes IRDP & DWCRA are no longer in operation with effect from 1-4-1999.

STATEMENT

Salient features of SGSY

1. Swarnjayanti Gram Swarozgar Yojana aims at establishing a large number of microenterprises in the rural areas, building upon the potential of the rural poor. It is rooted in the belief that rural poor in India have competencies and, given the right support can be successful producers of valuable goods/services.

2. The assisted families (known as *Swarozgaris)* may be individuals or groups (Self-Help Groups). Emphasis is on the group approach.

3. The objective under SGSY is to bring every assisted family above the poverty line in three years.

4. Towards this end, Swarnjayanti Gram Swarozgar Yojana (SGSY) is conceived as a holistic programme of micro-enterprises covering all aspects of self-employment, *viz.*, organization of the rural poor into Self-help groups and their capacity building, planning of activity clusters, infrastructure build up, technology, credit and marketing.

5. In establishing the micro-enterprises, the emphasis under SGYS is on the cluster approach. For this, 4-5 key activities are to be identified in each block based on the resources, occupational skills of the people and availability of markets. The key activities are to be selected with the approval of the Panchayat Samitis at the block level and the DRDA/ZP at the District level. The major share of SGSY assistance will be in activity clusters.

6. SGSY adopts a project approach for each key activity. Project reports will be prepared in respect of identified key activities. The banks and other financial institutions are closely associated and involved in preparing these project reports, so as to avoid delays in sanctioning of loans and to ensure adequacy of financing.

7. The existing infrastructure for the cluster of acitivities is reviewed and gaps identified. Critical gaps in investments are made under SGSY subject to a ceiling of 20% (25% in the case of North Eastern States) of the total programmes allocation for each district. This amount is maintained by the DRDAs as 'SGSY—Infrastructure Fund' and which can also be utilised to generate additional funding from other sources.

8. The effort under SGSY is to cover 30% of the poor in each block in next five years through and efficient programme. In planning of the key activities, care is taken to ensure that the maximum numbers of Panchayats are covered without jeopardizing the quality of the programme.

9. SGSY also focuses on Group approach. This involves organization of the poor into Self-Help Groups (SHGs) and their capacity building. Efforts are made to involve women members in each SHG. Besides, exclusive women groups continue to be formed. At the level of the Block, at least half of the groups are exclusively women groups. Group activity is given preference and progressively, majority of the funding will be for Self-Help Groups.

10. The Gram Sabha authenticates the list of families below the poverty line identified in the BPL census. Identification of individual families suitable for each key activity is made through a participatory process.

11. SGSY is a credit-cum-subsidy programme. However, credit is the critical component in SGSY, subsidy being only a minor and enabling element. Accordingly, SGSY envisages a greater involvement of the banks. They are involved closely in the planning and preparation of projects, identification of activity clusters, infrastructure planning as well as capacity building and choice of activity of the SHGs, selection of individual *Swarozgaris*, pre-credit activities and post-credit monitoring including loan recovery.

12. SGSY seeks to promote multiple credit rather than a one-time credit 'injection'. The credit requirement of the *Swarozgaris* is carefully assessed. They are allowed and, infact, encouraged for increasing their credit intake over the years.

13. SGSY seeks to lay emphasis on skill development through well-designed training courses. Those who have been sanctioned loans are assessed and given necessary training. The design, duration of training and the training curriculum is tailored to meet the needs of the identified activities. DRDAs are allowed to set apart upto 10% of the SGSY allocation on training. This is maintained as 'SGSY—Training Fund'.

14. SGSY ensures upgradation of the technology in the identified activity clusters. The technology intervention seeks to add value to the local resources, including processing of the locally available material from natural and other resources for local and non-local market.

15. SGSY provides for promotion of marketing of the goods produced by the SGSY *Swarozgaris*. This involves providing of market intelligence, development of markets, consultancy services, as well as institutional arrangements for marketing of the goods including exports.

16. Subsidy under SGSY is uniform at 30% of the project cost, subject to a maximum of Rs. 7500. In respect of SC/STs, however, these are 50% and Rs. 10000 respectively. For Groups of *Swarozgaris*

(SHGs), the subsidy is at 50% of the cost of the scheme, subject to a ceiling of Rs. 1.25 lakh. There is no monetary limit on subsidy for irrigation projects. Subsidy will be backended.

17. SGSY has a special focus on the vulnerable groups among the rural poor. Accordingly, the SC/STs would account for at least 50% of the *Swarozgaris*, women for 40% and the disabled for 3%.

18. SGSY is implemented by the DRDAs through the Panchayat Samithis. The process of planning, implementation and monitoring integrates the banks and other financial institutions, the PRIs, NGOs, as well as technical institution in the district. DRDAs are being suitably revamped and strengthened.

19. 15% of the funds under SGSY is set apart at the national level for projects having a for reaching significance and which can also act as indicators of possible alternative stretegies to be taken up in conjunction with other departments or semi-government or international organizations. This includes initiatives to be taken in the individual districts or across the districts.

20. funds under the SGSY are shared by Central and State Governments in the ratio of 75 : 25.

21. The central allocation earmarked for the States is distributed in relation to the incidence of poverty in the States. However, additional parameters like absorption capacity and special requirement will also be taken into consideration during the course of the year.

Mode of functioning of Panchayats

4102. SHRI R.S. GAVAI : Will the Minister of RURAL DEVELOPMENT be pleased to state :

(a) whether Government propose to amend the constitution and grant more autonomy to the States in deciding the mode of functioning of the various tiers of Panchayats;

(b) if so, the details thereof;

(c) whether Government have received request for amendments to Article 243-C of the Constitution from some States; and